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12 **IN THE EIGHTH JUDICIAL DISTRICT COURT OF THE STATE OF NEVADA**
13 **CLARK COUNTY, NEVADA**

14 SANDY O’LAUGHLIN, in her capacity as) Case No. A-23-872963-B
15 Commissioner of the State of Nevada,)
16 Department of Business and Industry,) Dept. No. XXII
17 Financial Institutions Division,)
18)
19 Petitioner,)
20 vs.)
21 PRIME CORE TECHNOLOGIES, INC.,)
22 PRIME TRUST, LLC, PRIME IRA, LLC,)
23 PRIME DIGITAL LLC,)
24)
25 Respondent.)
26)
27)
28)

29 **ERRATA TO PETITION FOR APPOINTMENT OF RECEIVER, TEMPORARY**
30 **INJUNCTION, AND OTHER PERMANENT RELIEF (FILED JUNE 26, 2023)**

31 Petitioner, Sandy O’Laughlin, Commissioner (“Commissioner”) of the Financial
32 Institutions Division (“Division”), State of Nevada, by and through its counsel, Aaron D. Ford, Attorney
33 General of the State of Nevada, and Michael Detmer, Chief Deputy Attorney General, hereby submits
34 this Errata to the Petition for Appointment of Receiver, Temporary Injunction, and Other Permanent
35 Relief (filed on June 26, 2023) (hereinafter referred to as the “Petition”).

36 ...

1 **ERRATA**

2 On June 26, 2023, the instant Petition was filed with the Court. Several pages of the
3 Petition’s “Exhibit 1” were inadvertently omitted and the full Exhibit 1 is attached to the
4 Errata.

5 Respectfully submitted this 27th day of June, 2023.

6 AARON D. FORD
7 Attorney General

8 By: /s/ Michael D. Detmer
9 MICHAEL DETMER
10 Chief Deputy Attorney General
11 *Attorney for the Financial Institutions Division*
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- 1 c. Though the migration from the Wallet to the Fireblocks platform was
2 completed in 2020, the original Wallet continued to exist but was marked as
3 inactive.
- 4 d. In 2020, after the migration to Fireblocks was completed, PRIME came under
5 new management. When the new management came to PRIME they were
6 purportedly informed by prior management that all cryptocurrency assets
7 were maintained and accessible in the Fireblocks platform.
- 8 e. In January 2021, PRIME reintroduced specific legacy wallet forwarding
9 addresses to customers (“Legacy Wallets”). It is understood PRIME did so
10 because of limitations associated with creating new wallets within the
11 Fireblocks platform. PRIME purportedly believed that these legacy wallets
12 existed on the Fireblocks platform or were configured to forward to wallets
13 accessible on the Fireblocks platform.
- 14 f. However, it is understood that on or about December 2021, PRIME discovered
15 that it was unable to access the Legacy Wallets and the cryptocurrency
16 therein.
- 17 g. It is understood that from December 2021 to March 2022, to satisfy the
18 withdrawals from the inaccessible Legacy Wallets, PRIME purchased
19 additional digital currency using customer money from its omnibus customer
20 accounts.
- 21 h. PRIME is reported to have been making substantial efforts to regain access
22 to the Legacy Wallets. However, as of the date of this Petition, PRIME has
23 been unable to do so.
- 24 i. In addition to the above, it is reported that the frequency of customer
25 withdrawals from PRIME have recently increased. Furthermore, many of the
26 withdrawals were for large sums. As such, at or about the time of the instant
27 Petition, it is understood that PRIME’s financial status is such that it owes,
28 in fiat currency, \$85,670,000 to its clients but has \$2,904,000 in fiat currency

1 (equaling an \$82,766,000 fiat currency liability). As to digital currency,
2 PRIME owes \$69,509,000 to its clients but only has \$68,648,000 in digital
3 currency. As such, PRIME would be unable to satisfy all of its withdrawals¹.

4 j. Additionally, it was observed in Prime's NMLS Money Service Business Call
5 Report that Prime is operating with a negative \$-12,071,508 stockholders'
6 equity position.

7 8. With consideration of the above, Prime's financial status appears to be such that
8 Prime will be unable to satisfy all of the withdrawals of its customers.

9 9. As Prime is operating, and will seemingly continue to operate, with a substantial
10 deficit, it is believed that Prime is inherently in an unsafe/unsound condition to
11 conduct business and/or is insolvent.

12 10. The Parties have conferred regarding possible candidates for appointment as a
13 receiver over PRIME and have agreed that any of the below listed individuals may
14 be qualified to act as a receiver over it, should the Court and said individual agree
15 to the appointment:

- 16 ● John Guedry (Former CEO of Bank of Nevada; Former CEO of First
17 Independent Bank)
- 18 ● Paul Huygens (Director of Meadows Bank; Principal of Province)
- 19 ● Arvind Menon (Former President and CEO of Meadows Bank; Former
20 President and CEO/CFO at Nevada First Bank; Former CFO of Bank of
21 America, Nevada)

22 

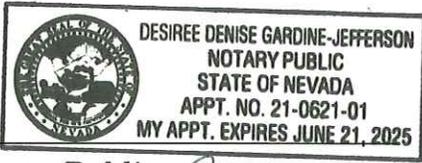
23 Signature of Affiant

24 6/26/2023

25 Date

26 The foregoing affidavit was sworn to and subscribed before me by
27 Sandra Lee S. O'Laughlin on this 26 day of June, 2023.

28 ¹ All monetary references provided within the instant Affidavit are approximations unless otherwise specified.



June 26, 2023

Notary Public

Date

Desiree Denise Gardine-Jefferson

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